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Finance Committee Minutes 02-02-04

ARLINGTON FINANCE COMMITTEE
 MINUTES OF MEETING
 7:30 PM O'NEILL ROOM, COMMUNITY SAFETY BUILDING
 2/2/04

ATTENDEES:

McGaffigan*	Feinleib	O'Riordan*	O'Neill*	Mahoney*
DeCoursey	Connors	Simmons*	Morrisette*	
Tosti*	Foskett	Deyst*	Ronan*	
Piandes	Franclemont*	Jones*	Olsen*	
DuBois*	Howard*	Fanning*		Kneeland*

* Indicates present

VISITORS: Town Counsel John Maher, Licensed Site Professional Chuck Myette, School Business Manager Rob Addelson, Mass Electric VP for Public Affairs Joe Neumann, Treasurer John Bilafer, Paul Bayer

MINUTES of 1/12/04 accepted as corrected. Unanimous.

SPECIAL TOWN MTG - PEIRCE FIELD: Maher & Myette, using a handout, reviewed the pollution cleanup project at Peirce Field. The Town Meeting will be asked to approve changes to the agreement between the responsible parties. These changes are needed to accomodate cost estimate increases based on the actual engineering plans and changes in scope. The project now includes rebuilding the Mill Brook culvert which runs under the field. Based on actual inspection, this culvert is expected to fail in the near future. The industrial partners have agreed to pay for the culvert (est \$1m+) with a reimbursement of \$250k from the Town. The project also includes leveling the football field and properly grading the baseball diamond. Part (\$1.7m) of the money from the industrial partners originally intended for the field house will now be spent on field improvements. The rest (\$1m) will be held for an athetic facility when the Town is able to afford building one. Maher requested FinCom support, though the main motion will come from the BOS.

ANNUAL TOWN MTG - TREASURER'S ARTICLES

MUNICIPAL BUILDING TRUST FUND: Bilafer proposes transferring most of the \$2m in this fund to the Retiree Health Care Trust Fund. He expects the new GASP accounting rules to put the Town's large unfunded health care obligation on the balance sheet which will likely affect the Town's bond rating. He is also concerned that these funds, no longer needed for fire insurance, might be transferred to the Stabilization Fund and used for operating expenses.

POST EMPLOYMENT MEDICAL BENEFITS COMMITTEE: Bilafer proposes this committee study the unfunded liability problem and propose appropriate action. FinCom members suggested this group should be formed & report before action was taken to transfer Municipal Building funds. Members also suggested that the growth of medical costs makes a saving plan unlikely to work.

RESERVE FUND/SPENDING COMMITTEE: Bilifer suggested this group to develop a policy for building & spending Town reserves. He believes the various departments are not cooperating as they should.

TRUST FUND POLICY COMMITTEE: Bilafer has received several request for information about Town - managed trust funds. He believes more visibility is desirable. He also is concerned that fund earnings be applied in a responsible balance between spending & reinvestment.

COMMITTEE: The Chair introduced Paul McGaffigan, a newly appointed member from Pct 1. A draft of the warrant for the Annual Town Meeting and copy of the Oct 1 school enrollment report were provided. Bilafer to return for next mtg Wed

2/4/04.

For more info go to <http://www.arlingtonfincom.com/>

RESERVE FUND BALANCE \$400,000

cc Selectmen
FinCom Members
Acting Town Manager

Peter B Howard
Library file
Town Web Site

Secretary 2/3/04